GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:3186
ANSWERED ON:21.03.2017
Processing of Onion and Potatoes
Puttaraju Shri C.S.

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Government is considering to promote processing of onions and potatoes after taking cognizance of the extreme price fluctuations of these two vegetables and if so, the details thereof;

(b) whether the Government proposes to set aside a corpus fund to incentivize farmers to convert the vegetables into flake, paste and powder forms and if so, the details thereof: and

(c) if not, the reasons therefor?

Answer

(a): Currently, there is no such scheme in the Ministry of Food Processing Industries. However, for overall promotion and processing of agricultural and horticultural produce including processing of onion and potatoes, Ministry of Food Processing Industries implemented the Scheme for Technology Upgradation/Establishment/Modernization of Food Processing Industries during 11th Plan. Under this scheme, financial assistance has been provided in the form of Grant-in-aid to eligible entrepreneurs in the country for setting up of new food processing units as well as technological upgradation and expansion of existing food processing units, which include onion and potato processing units considered under Fruits and Vegetable sector.

This scheme was subsequently subsumed in the Centrally Sponsored Scheme (CSS)-National Mission on Food Processing (NMFP) with effect from 01.04.2012 till 31.03.2015. Thereafter, the said scheme got delinked from Government of India's assistance and it was left to the State Governments to decide on its continuance from their increased resources as per recommendations of 14th Financial Commission. The committed/spillover liabilities of cases received upto end of 11th Plan are being considered by Ministry of Food Processing Industries for sanction of Grant-in-aid during the 12th Plan under the said scheme as per availability of funds and merits of proposals.

(b) & (c): There is no such specific scheme for this at present. However, a special fund of Rs.2000 Crore, has been set up in NABARD to make available affordable credit to designated food parks and agro-processing units in the designated food parks.